

## **820 KAR 1:060. Tipping prohibited.**

RELATES TO: KRS 238.540(4), 238.550(4)

STATUTORY AUTHORITY: KRS 238.515(2), (4), (9)

NECESSITY, FUNCTION, AND CONFORMITY: The Office of Charitable Gaming is authorized by KRS 238.515(2) to establish reasonable standards for the conduct of charitable gaming. KRS 238.540(4) provides that charitable gaming be conducted and administered only by the charitable organization using volunteer personnel and prohibits persons engaged in the conduct and administration of charitable gaming from receiving compensation of any kind. This administrative regulation prohibits tips or other gratuitous conduct.

Section 1. Tipping Prohibited. (1) The charitable organization conducting gaming shall take one (1) or more of the following measures to inform the public that, pursuant to KRS 238.540(4), its volunteers are unable to accept tips or other forms of gratuitous conduct:

- (a) Post signs in a conspicuous location that volunteers are not permitted to accept tips;
- (b) Include a notation in a conspicuous location on an occasion program that volunteers are not permitted to accept tips; or
- (c) Make an announcement immediately prior to the beginning of the charitable gaming session or event that volunteers are not permitted to accept tips.

(2) Except as provided in subsection (3) of this section, a charitable organization shall not pay remuneration or expenses other than those authorized in KRS 238.550(4), or award or otherwise provide any sort of benefits, to or for or on behalf of any person engaged as a volunteer in the conduct of charitable gaming sponsored by the charitable organization.

(3) A charitable organization shall be permitted to provide volunteer workers the following:

- (a) Food or drink of a value not to exceed ten (10) dollars per day to be consumed on the premises where charitable gaming occurs;
- (b) Any article of clothing worn by the volunteers on the premises where charitable gaming occurs which identifies the volunteer worker as a volunteer for the charitable organization; or
- (c) Any noncash item not to exceed twenty-five (25) dollars in fair market value given to volunteers upon achievement of predetermined goals in the conduct of a raffle.

(4) All expenditures made by charitable organizations for volunteers as allowed under subsection (3) of this section shall be reported on the organization's quarterly report required by 820 KAR 1:025.

Section 2. Rebuttable Presumption of Compensation. (1) It shall create a rebuttable presumption of compensation if a person volunteers at more than four (4) gaming occasions a week excluding charity fundraising events as outlined in 820 KAR 1:055.

(2) It shall create a rebuttable presumption of compensation if a person volunteers at more than four (4) special limited charitable fundraising events per year. (22 Ky.R. 442; eff. 10-13-95; Am. 1412; eff. 11-8-96; Recodified from 500 KAR 11:060, 2-23-99; 32 Ky.R. 772; 1661; eff. 3-31-2006.)